# TABLE OF CONTENTS

- Introduction .............................................................................................................. 1
- Goal: Economic Development ............................................................................. 3
- 2017-2018 Freight Projects ................................................................................ 5
- Goal: Funding ........................................................................................................... 6
- Goal: Balanced Transportation Policy ................................................................. 7
- Goal: Efficient Railways .......................................................................................... 8
- Goal: Safety ............................................................................................................... 9
- 2017-2018 Grade Crossing Safety Projects ........................................................... 11
- Goal: Environmental Benefits ............................................................................... 12
- Setting Priorities for 2019 and Beyond ................................................................. 13
The majority of the railroads in Ohio are privately owned and operated. Therefore, most investment decisions are made by the railroad owners and operators. However, there are instances where there is a need for public interaction and coordination with railroad companies. The Ohio Rail Development Commission (ORDC) is an independent commission within the Department of Transportation that was established to represent the state in non-regulatory interactions with the railroad industry. It funds safety improvements at railroad-highway grade crossings, supports rail-related economic development efforts, and coordinates railroad interactions with ODOT highway projects.

Established in 1993 under Ohio Revised Code Section 4981 to address all non-regulatory matters related to rail transportation in Ohio.

"One of the most rewarding aspects of the Commission’s work is we get to see tangible results of our efforts. Whether it is a new rail connection to a company, an intermodal container train on its way to a facility in Ohio or a family stopped at a rail crossing with new lights and gates, we get to see how our work benefits the companies and citizens of Ohio on a daily basis."

Matthew Dietrich, Executive Director

"ORDC is a dynamic organization that works with private railroad companies and local communities to improve safety and expand commerce in Ohio. ORDC has a long history of providing immense benefits for every tax dollar invested. Lives saved and jobs created will continue to be the hallmarks of ORDC’s work."

Mark Policinski, Chairman

The Commission itself consists of 15 members: four non-voting legislative representatives from the House and Senate and eleven voting members. Seven of the voting members, including the Chairman, are appointed by the Governor; the Speaker of the House and the Senate President each appoint one voting member, and the directors of Transportation and the Development Services Agency serve on the board. All voting members serve six-year terms.
Rail transportation is a key connection for Ohio companies to their suppliers and markets worldwide. Effective rail service is often a requirement for business attraction and retention efforts. ORDC plays a critical role in helping the state take advantage of the economic opportunities provided by rail service and to mitigate the safety and quality of life concerns for communities that arise because of rail infrastructure around the state. Everything the rail commission does is a form of public private partnership. To support safety improvements at grade crossings, ORDC works closely with the Public Utilities Commission, the railroad regulatory agency in Ohio, to administer federal highway safety funds. ORDC’s freight rail development projects are accomplished by partnering with JobsOhio, regional and local development officials, railroads and companies operating in Ohio.

ORDC’s efforts focus on assisting the state’s economic development efforts and enhancing safety at grade crossings by applying our Vision, Mission and Goals to all programs and projects.

**ORDC’s Vision** is for Ohio to have the best rail system in the world. ORDC will implement programs and policies that foster a globally integrated, safe, reliable rail system that creates and retains jobs and maximized the public benefit to Ohio’s communities and industries.

**ORDC’s Mission** is to plan, promote and implement the improved movement of goods and people faster and safer on a rail transportation network connecting Ohio to the nation and world. The mission is to be accomplished through a coordinated freight and passenger rail system which is an integral part of a seamless intermodal transportation network contributing to Ohio’s quality of life and economic development.
Goal: Economic Development
Support a fully integrated, well-managed transportation system that drives business growth, prosperity, job creation and retention.

Objectives:

- Preserve and enhance existing rail lines and corridors
- Provide rail access to retain existing and attract new businesses
- Provide Ohio’s communities and industries with transportation options, connectivity and opportunities

Ohio businesses shipped 134.8 million tons of freight into and out of Ohio by rail in 2014, the equivalent of 7.5 million trucks. An additional 184.4 million tons of freight, or the equivalent of 10.2 million trucks, moved through Ohio by rail in 2014. ORDC partners with both public and private entities in order to enhance Ohio’s railroad infrastructure. Consisting of a mixture of both federal and state funds, ORDC’s Railroad Improvement Program is able to participate in a variety of projects across the state. These projects generally take three different forms: development projects, in accordance with ORDC’s goal of Economic Development; capacity projects, aligning with ORDC’s goal of Efficient Railways; and rehabilitation projects to preserve rail service, supporting ORDC’s goals of both Efficient Railways and Safety.

ORDC’s Railroad Improvement Program complements ORDC’s pursuit of its goals by allowing communities, private business and railroads to invest in their rail infrastructure. “Our flexibility ensures that we can participate in whatever project is needed to help us accomplish the Commission’s goals,” said Tom Burns, Project Development Manager. “Whether a community needs to provide a new employer with rail service, a railroad needs to expand operations in order to ensure customers experience sustained levels of service, or a rail line needs some work in order to remain viable and provide effective transportation options to the area, knowing we can get involved, help solve problems and create value is a satisfying feeling.”

“Our flexibility ensures that we can participate in whatever project is needed to help us accomplish the Commission’s goals... knowing we can get involved, help solve problems and create value is a satisfying feeling.”

Tom Burns, Project Development Manager
In FY17-18, ORDC worked with JobsOhio, its network of regional affiliates, local economic developers and other entities to provide direct funding assistance to 36 projects. Recipients were awarded a total of $5.9 million in grant funds and $790,000 in loans. These projects are contracted to create or retain over 2,800 jobs. In addition, the approved projects will support another 7,500 jobs and leverage $189 in other investment for every $1 of ORDC funding. Approximately 94% of the $1.3 billion in “other investment” leveraged by ORDC’s funding will come from private sources.

DIRECT FUNDING ASSISTANCE TO 36 PROJECTS
$5.9 MILLION GRANT FUNDS
$790,000 LOAN FUNDING
CREATES OR RETAINS OVER 2,800 JOBS
SUPPORTS AN ADDITIONAL 7,500 JOBS
LEVERAGES $189 FOR EVERY $1 ORDC FUNDING

ORDC worked with the City of Medina, TeamNEO, the Wheeling & Lake Erie Railway and numerous other partners in 2017 and 2018 to bring Spray Products to Medina, Ohio. Spray Products, a manufacturer of aerosol and liquid consumer products, moved into a building formerly occupied by Valspar, who left Medina in 2016. In redeveloping this location, Spray Products found a new use for a specialty building and also began the process of Medina rebounding from the numerous jobs lost by committing to create 36 new jobs at the facility.

Spray Products was attracted to the facility not only because the building was already configured for their purposes due to Valspar’s presence in related industries, but because the rail was integral to Spray Products’ continued expansion of their company. “We would not have come here if the rail was not here,” Spray Products President Bart Bastian said. ORDC’s aid helped fully rehabilitate the existing rail to ensure that Spray Products would receive world-class rail transportation service from the Wheeling & Lake Erie Railway.

ORDC helps working-age adults across the state by assisting companies locate and expand in Ohio, but sometimes ORDC helps kids get their beauty rest – such as when ORDC partnered with Step2, makers of the famous Corvette® toddler bed. Step2 is the largest American manufacturer of preschool and toddler toys and the world’s largest rotational molder of plastics. An Ohio success story, the company was started in Streetsboro, Ohio in 1991 and grew from 5 initial employees to over 750 full-time employees today manufacturing hundreds of Ohio-made products.

When Step2’s rail logistics became constrained, they turned to ORDC to help them expand their rail capacity at Streetsboro and Loudonville. Additionally, Step2 committed to add 15 new jobs and retain 746 existing jobs at its 2 facilities. ORDC’s funding ensured that Step2 has the capacity and inventory needed to continue to compete on the global market from Northeast Ohio.
2017-2018 ORDC Freight Projects

Improving rail today for tomorrow’s economy

Ohio Rail Development Commission
rail.ohio.gov

FY17 Project | ORDC Funding | Other Funding | Job Impact | Created | Retained | Supported | Total Jobs
---|---|---|---|---|---|---|---
| Grant | Loan | Private | Public | Total Funding | | | |
---|---|---|---|---|---|---|---|
1. ASRY Trail Bridge | $710,000 | $300,000 | $75,000 | $1,085,000 | - | - | - | 1,085
2. AUTOplane / MEDEC Engineering | $600,000 | - | - | $600,000 | - | - | - | 600
3. ODOT Bridge 41 Repairs | $100,000 | - | - | $100,000 | - | - | - | 100
4. CSX Locustown Yard Expansion | $75,000 | - | - | $825,000 | - | - | - | 825
5. Gateway Flexion Spur | $150,000 | - | - | $150,000 | - | - | - | 150
6. OSU Mainland Sub Rehab | $300,000 | - | - | $300,000 | - | - | - | 300
7. Kanawha River Railroad Bridge Repairs | $300,000 | - | - | $300,000 | - | - | - | 300
8. Mitsubishi Chemical Performance Polymers Phase II | $510,000 | - | - | $510,000 | - | - | - | 510
9. New Reclamation | $250,000 | - | - | $250,000 | - | - | - | 250
10. Ohio Grains Spur | $75,000 | - | - | $75,000 | - | - | - | 75
11. Ohio-Rail Bayard Line Rail Replacement | $150,000 | - | - | $150,000 | - | - | - | 150
12. ORCET Haden to Jackson Rehabilitation | $28,000 | - | - | $28,000 | - | - | - | 28
13. ORCET Red Diamond PHA Safety Grant | $450,000 | - | - | $450,000 | - | - | - | 450
14. Portage County Culvert Rehab | $50,000 | - | - | $50,000 | - | - | - | 50
15. Westside Smith Oil Spur | $35,000 | - | - | $35,000 | - | - | - | 35
16. WLS Mainline Tren Tunnel Portal Repair | $350,000 | - | - | $350,000 | - | - | - | 350
17. WLS Sandtike Line Phase II rehab | $300,000 | - | - | $300,000 | - | - | - | 300

FY17 Project | FY18 Project | Ohio Rail Line
---|---|---

ORDC Funding | Other Funding | Job Impact | Created | Retained | Supported | Total Jobs
---|---|---|---|---|---|---
| Grant | Loan | Private | Public | Total Funding | | | |
---|---|---|---|---|---|---|---|
1. Geissler Foods Inc. Spur | $53,000 | $53,000 | $248,000 | $352,000 | - | - | - | 352
2. Bucyrus Railcar Repair Expansion | $100,000 | $400,000 | $500,000 | $400,000 | - | - | - | 100
3. Camp Chase Railway Rehabilitation | $201,500 | - | - | $403,000 | - | - | - | 201
4. ORCET Sandine Rehabilitation | $95,000 | - | - | $190,000 | - | - | - | 95
5. Carmel Coal Corp. Expansion | $100,000 | - | - | $450,000 | - | - | - | 100
6. CDN Von Wilker Yard Rehab | $75,000 | - | - | $75,000 | - | - | - | 75
7. Cleveland-OHIO Freight Bypassed Rail Line | $400,000 | - | - | $970,000 | - | - | - | 400
8. OCS Diversion Run Bridge | $145,500 | $65,000 | - | $210,500 | - | - | - | 210
9. Elwood Engineered Castings Expansion & Spur Bridge | $75,000 | - | - | $50,000 | - | - | - | 75
10. ORCET Springfield Bridge Underlining | $500,000 | - | - | $500,000 | - | - | - | 500
11. Melick Inc. Spur | $125,000 | - | - | $36,245,000 | - | - | - | 125
12. MSHA Plants Spur | $60,000 | - | - | $60,000 | - | - | - | 60
13. OMSO Spur | $45,000 | - | - | $45,000 | - | - | - | 45
14. Pratt Industries Spur | $200,000 | - | - | $200,000 | - | - | - | 200
15. Regent Chemical Transload | $75,000 | - | - | $75,000 | - | - | - | 75
16. R&G German Cleveland Line Rehabilitation | $248,850 | - | - | $248,850 | - | - | - | 248
17. Sperry Products Spur | $52,000 | - | - | $52,000 | - | - | - | 52
18. Seapex Company On-Ohio Rail Expansion | $150,000 | - | - | $150,000 | - | - | - | 150
19. YSCE Pump System and Grain Casing Rehabilitation | $35,000 | - | - | $350,000 | - | - | - | 35

Note: FY18 Bethel Avenue Spur, Spur Jobs Included in FY17 ORCET Haden to Jackson Rehabilitation Total

Grant | Loan | Private | Public | Total Funding | Created | Retained | Supported | Total Jobs
---|---|---|---|---|---|---|---|---
| $6,041,850 | $750,000 | $1,204,165,575 | $73,475,518 | $1,284,372,943 | 948 | 1,855 | 7,524 | 10,327

2017-2018 Annual Report
Goal: Funding
Secure funding for rail projects supporting a transportation network that provides a public benefit to Ohioans.

Objectives:

- Identify public benefit of all rail projects
- Identify financial resources for rail projects and programs

ORDC has frequently applied for federal funding to supplement ORDC’s own funding for larger projects. Recently, ORDC partnered with Norfolk Southern (“NS”) to submit an Infrastructure for Rebuilding America (“INFRA”) grant. In June 2018, ORDC and NS learned that their application was successful and that they would be awarded a $16.25 million INFRA grant to improve approximately 30 miles of NS’s rail line along the Ohio River in Jefferson and Belmont Counties.

In addition to the significant federal funding, the $31.88 million project will leverage numerous additional funds. ORDC is including $882,000 of its own funds towards completing the project from a variety of other federal funding sources, ODOT has committed an additional $250,000, and those funds, along with the INFRA grant, will be leveraging $14.5 million of private funding supplied by NS. ORDC’s funds will leverage over $36 of other funds to every $1 ORDC contributes to the project.

The ORDC also leveraged funding for a project to restore rail service to Bellisio Foods in Jackson, Ohio. Served by the Ohio South Central Railroad (“OSCR”), Bellisio Foods employs approximately 1,300 people in and around Jackson and is responsible for brands such as Michelina’s and Chili’s To-Go. The OSCR saw an opportunity to help Bellisio be more competitive in their market by providing rail service, and to that end the OSCR applied for an Appalachian Regional Commission (“ARC”) grant to restore rail service to the site. After vetting, the project was rated as the City of Jackson’s highest priority and the only project submitted in Jackson County, and was awarded $246,000 from ARC to complete the project.

As the ARC grant was capped at 70% of project costs, OSCR came to the ORDC for help in filling the gap to accomplish the project. ORDC contributed $53,000, half of the required 30% match, with OSCR contributing the other $53,000 and covering any additional costs. Recently completed, the project to rehabilitate an existing bridge over Salt Lick Creek and the track leading to Bellisio will help ensure the 1300+ employees continue to distribute pizza rolls and lasagna across the US competitively.
Goal: Balanced Transportation Policy

Increase support for rail.

Objective:

- Educate and inform Ohio citizens and decision-makers about the public and private benefits of rail

State Rail Plan

In 2018, ORDC undertook an update of the State Rail Plan, last updated in 2010. The plan is an opportunity to engage rail stakeholders and the public in a dialogue regarding the State of Ohio’s rail priorities. The Plan re-establishes Ohio’s vision, goals, and objectives that will help guide future rail investments. The update is currently underway and is expected to be completed in early 2019. Railroads, metropolitan planning organizations, industry groups, and other stakeholders identified 123 rail projects totaling nearly $1.8 billion that represent the outstanding need for rail-related studies and infrastructure improvements throughout the state. ORDC analyzed these projects to determine their readiness and identified 66 projects worth $313 million that could be considered for ORDC’s funding programs or a federal funding opportunity.

<table>
<thead>
<tr>
<th>Category</th>
<th>All Projects</th>
<th>Projects with Cost Estimates</th>
<th>Cost of Projects with Estimates ($2018)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bridge rehabilitation — bring railroad bridges to modern standards and a state of good repair</td>
<td>2</td>
<td>2</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Grade separation — grade separate rail and highway rights-of-way</td>
<td>8</td>
<td>8</td>
<td>$122,444,000</td>
</tr>
<tr>
<td>Industrial access — build rail sidings or spurs to industrial locations</td>
<td>5</td>
<td>4*</td>
<td>$5,130,000</td>
</tr>
<tr>
<td>Passenger rail — improve existing infrastructure or build new infrastructure to improve passenger service</td>
<td>5</td>
<td>2*</td>
<td>$2,373,000</td>
</tr>
<tr>
<td>Rail capacity — improve rail yards or rail lines to expand capacity</td>
<td>11</td>
<td>11</td>
<td>$51,413,000</td>
</tr>
<tr>
<td>Rail connection — establish or improve connections between rail lines</td>
<td>3</td>
<td>3</td>
<td>$3,498,000</td>
</tr>
<tr>
<td>Rail rehabilitation — bring rail lines to modern standards and a state of good repair</td>
<td>21</td>
<td>21</td>
<td>$42,298,000</td>
</tr>
<tr>
<td>Road clearance — raise the level of rail overpasses to</td>
<td>1</td>
<td>1</td>
<td>$12,841,000</td>
</tr>
<tr>
<td>Other — create rail bypass, new rail line, preserve right-of-way, build new bridge, improve crossing</td>
<td>2</td>
<td>2</td>
<td>$32,065,000</td>
</tr>
<tr>
<td>Transload or intermodal — improve or construct new transload or intermodal terminal</td>
<td>8</td>
<td>8</td>
<td>$39,434,000</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>66</strong></td>
<td><strong>62</strong></td>
<td><strong>$313,496,000</strong></td>
</tr>
</tbody>
</table>

* Funds have been invested in certain projects, but the cost of future phases is unknown.
Goal: Efficient Railways
In partnership with the private railroads, create a fast, frequent and reliable rail network that connects Ohio to the national transportation system.

Objectives:

- Improve on-time performance
- Preserve, maintain, expand and modernize Ohio’s rail system, including main lines and branch lines
- Preserve existing tracks and rail rights-of-way for future use
- Improve access to global and domestic markets through seamless intermodal connectivity
- Provide improved transportation choices for Ohio communities and industries

One of the more unique projects ORDC undertook recently was the Ashland Railway (“ASRY”) Trail Bridge project. This project was a complete rebuild of the only link between the two “sides” of the ASRY, and without it, they would not be able to interchange traffic. The most important bridge on their system, it was deteriorated to the point where it needed a complete replacement. Initially, ASRY came to ORDC in late 2012 in an effort to partner on procuring a Railroad Rehabilitation & Improvement Financing loan via the Federal Railroad Administration, but that process was unsuccessful due to reasons outside of ASRY and ORDC’s control. After the close of that process in summer 2014, ORDC and ASRY continued to work on a plan to attempt to repair the bridge.

Due to the complexity of the project, staff developed an innovative way to fund its advancement. Presented in phases, funding was split to cover engineering costs first, in order to have a complete scope and total cost of the bridge repair before it progressed any further. $75,000 of ORDC funds were allocated along with $75,000 of ASRY funds to complete engineering. After engineering was completed, the total cost of the bridge was confirmed to be approximately $1.2 million and ORDC was able to provide a $500,000 grant and $700,000 loan to complete the project. The new bridge, again the lifeline of the ASRY’s connection between the east and west sides of its system, has been completed and is a monument to ORDC’s ability to be flexible in response to grantee needs.

In Minerva, Ohio, Ohi-Rail Corporation’s rail between their yard in Minerva and the main Norfolk Southern connection, approximately 2 miles northeast, was wearing down in late 2016. A relic of the original Pennsylvania and predecessor railroads, the 103-pound rail had reached the end of its useful life. Ohi-Rail approached ORDC with a project to replace the rail and keep Ohi-Rail’s most important connection online for the long-term future. ORDC’s $150,000 grant leveraged $431,000 of Ohi-Rail funding to ensure the interchange with NS stays accessible.
Goal: Safety

Work with the railroads, the Public Utilities Commission of Ohio and the Ohio Department of Transportation to maintain a safe rail system.

Objectives:

- Increase number of locations with warning devices
- Increase number of at-grade crossings closed
- Reduce derailments

Ohio’s extensive transportation infrastructure features a dense network of railroads and highways. There are approximately 5,000 miles of active rail in the state as well as approximately 127,000 miles of roadway, resulting in nearly 5,800 public, at-grade railroad-highway crossings. As of 2017, 58% of Ohio’s grade crossings are equipped with flashing lights and roadway gates, 10% have flashing lights only, and 32% have passive devices such as crossbucks. While freight rail is a cost-effective and safe way to move goods, there were 68 train-vehicle crashes at public grade crossings in Ohio in 2017, with 17 injuries and 8 fatalities.

ORDC advances four primary types of warning device projects to improve safety for the traveling public:

- Formula-based warning device upgrades
- Corridor-based warning device upgrades
- Constituent-identified warning device upgrades
- Preemption projects where railroad warning devices are interconnected with highway traffic signals

“At the end of the day [the safety program] is about getting home safely and seeing the next sunrise.”

Cathy Stout, Grade Crossing Safety Program Manager

“The Grade Crossing Safety Program is about enabling roadway users to make good decisions at grade crossings. It’s about warning devices that let people know a train is coming; and it’s about getting safely from one side of the crossing to the other. At the end of the day it’s about getting home safely and seeing the next sunrise. We work with railroads and with communities to decide what the best warning device is for their crossing. We install flashing lights, gates, bells and other devices at highway/railroad intersections; we work to have highway signals and railroad signals communicate to keep vehicles off the track; we consolidate crossings so there are fewer, safer crossings; and we help communities and railroads work and live together.” - Cathy Stout, Grade Crossing Safety Program Manager
ORDC funded 151 safety upgrade projects at 148 locations in FY17-18, which consisted of 128 warning device improvements, 6 grade crossing closures, 8 grade crossing surface reconstructions and 9 other safety improvements. While ORDC expects a similar volume of projects in FY20-21, the number of projects that will be approved and completed will vary depending on individual project characteristics.

Also, ORDC provides valuable Railroad/Roadway coordination by providing technical assistance to ODOT District project managers & area engineers, local municipalities, contractors, and others regarding railroad issues & requirements for public projects. These established relationships led to ORDC and ODOT partnering with railroads to rehabilitate at-grade crossing surfaces on state routes throughout Ohio, with ODOT providing 50% of the cost to rehab the crossings. $2 million was allocated to this program and nearly $1 million was expended, repairing 30 surfaces. More importantly, the program created a framework that is being used by ODOT Districts and railroads to continue state and local partnerships with the railroads for future crossing rehabilitations.
2017-2018 ORDC Safety Projects

Improving rail today for tomorrow’s economy

Ohio Rail Development Commission
rail.ohio.gov

FY2017 Project
FY2018 Project

Ohio Rail Line

FY2017 Projects: 84
FY2018 Projects: 64
Total: 148

FY2017 Spending: $18,002,249
FY2018 Spending: $16,419,228
Total: $35,421,477

2017-2018 Annual Report

11
Goal: Environmental Benefits
Support sustainable rail programs and projects that enhance Ohio’s environment.

Objective:

- Improve environmental quality, especially in terms of air quality

Advances in technology have allowed railroads to limit greenhouse gas emissions, increase fuel efficiency and reduce their carbon footprints. U.S. freight railroads can, on average, move a ton of freight nearly 500 miles per gallon of fuel, making rail the most environmentally friendly way to move freight over land. Moving freight by rail instead of truck lowers greenhouse gas emissions by 75%. Every grant and loan provided by the ORDC to a railroad or company beginning or improving rail service actively benefits the environment. Federal safety funds are also eligible to be used towards reducing idling and stopped trains that block crossings in communities by funding sidings, infrastructure improvements, or modernizing switches, improving rail operations while making roadways safer for the traveling public.

In addition to ORDC’s economic development and grade crossing safety improvement programs, ORDC also administers additional funding awards such as Congestion Mitigation and Air Quality/Diesel Emission Reduction Grants to improve rail service, reducing locomotive engine idling and operational inefficiencies.

“The Leaf locomotive has been a phenomenal change for us in Dayton. It pulls more weight, it’s been more reliable, and starts easily in cold temperatures. It is much cleaner, uses less fuel and oil, and maintains it’s appearance well. It is an outstanding machine and much more efficient.”

Niki Lewis, Railserve, Inc.
Setting Priorities for 2019 and Beyond

In order to ensure ORDC is adapting to industry trends and public needs, ORDC undertakes two formal processes that help establish the agency’s priorities: the State Rail Plan (see page 7) and the Railroad Safety Improvement Plan for federal grade crossing safety funding. In addition, our frequent interactions with communities, railroads, and private companies help us hone our priorities on a transactional basis.

Railroad Safety Improvement Plan

The Ohio Railroad Safety Improvement Plan was originally adopted in 2011 and an update was submitted to the FRA in early 2018. This plan is developed by ORDC and Public Utilities Commission of Ohio (PUCO) staff. It outlines the state’s six objectives for improving railroad safety and highlights the programs dedicated to this purpose at the ORDC and the PUCO. The 2018 update will be published once it is accepted by the FRA.

Prioritizing Responsiveness

In addition to the formal planning processes previously discussed, ORDC also prioritizes responsiveness by continuously reviewing programs to ensure that they meet the demands of our customers and stakeholders. For example, ORDC identified a trend of crashes happening at railroad-highway crossings with lights & gates in place. In 2016, 75% of crashes at grade crossings and 100% of fatalities were at locations equipped with active warning devices. In response, ORDC expanded the formula program to review the conditions at crossings that have lights and gates in place.

ORDC is also actively improving our relationships with entities in the economic development community. This outreach helps us assist rail-related development as early as possible, as well as staying informed as to the trends in the industry. A good example of the effectiveness of this outreach is our recent Infrastructure for Rebuilding America (INFRA) grant award from the US Department of Transportation. The grant supports JobsOhio’s efforts to attract PTT Global Chemical's potential, multi-billion-dollar chemical plant to Belmont County. Because of our early communication with JobsOhio and Norfolk Southern, we were able to identify rail infrastructure needed to support that project and partner with Norfolk Southern on a federal grant application when the opportunity was presented. As a result, ORDC received a $16.25 million INFRA award, the only one in Ohio, to support the project.

$16.25 MILLION FEDERAL GRANT
NEARLY $50 MILLION PRIVATE INVESTMENT INTO RAIL INFRASTRUCTURE
SUPPORTS POTENTIAL MULTI-BILLION-DOLLAR DIRECT FOREIGN INVESTMENT
IMPROVES RAIL ACCESS TO 10 BROWNFIELD SITES ENCOMPASSING 853+ ACRES
ORDC also actively seeks opportunities to evaluate our activities and programs to ensure they include industry best practices and adapt to changing trends, allowing the commission to be proactive rather than reactive in many situations. ORDC is a member of the AASHTO Committee on Rail Transportation and ORDC’s Executive Director currently serves in the role of Vice-Chair. Additionally, staff attend national and regional conferences on important industry topics such as grade crossing safety, trespasser prevention, shipper associations, and economic development. ORDC holds a presence at state-wide elected official trade shows for continued outreach with our customers and to provide a proactive approach to engaging with communities. Lastly, staff is consistently attending a variety of trainings that ensure skills are regularly used and improved upon to stay up to date on changing industry trends.

Operational Changes

As with the prioritization efforts discussed above, ORDC seeks opportunities to improve operations in formal and informal ways. The following recent efforts have improved operations at ORDC:

- During the summer of 2018, ORDC completed two Kaizen events under the leadership of LeanOhio. These events are intended to “change processes for the better” by analyzing work flows and transforming them to be simpler, faster, better, and less costly. ORDC reviewed both our grade crossing improvement and economic development project processes using the tools and resources available from DAS’s LeanOhio office. The revised processes, of which implementation is ongoing, resulted in the following improvements:

<table>
<thead>
<tr>
<th>Program Area</th>
<th>Measure</th>
<th>Current Process</th>
<th>New Process</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grade Crossing Safety</td>
<td>Process Steps</td>
<td>146</td>
<td>49</td>
<td>-66%</td>
</tr>
<tr>
<td></td>
<td>Decision Points</td>
<td>8</td>
<td>6</td>
<td>-25%</td>
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<td></td>
<td>Handoffs</td>
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<td></td>
<td>Process Lead Time</td>
<td>16 weeks</td>
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<td>6</td>
<td>3</td>
<td>-50%</td>
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The improved processes have a significant reduction in the number of steps and reduce decision points, handoffs between staff members, and loopbacks to reconsider completed work. The safety process identified $5,000 per year in cost savings due to reduced field visits and printing savings. It also shortened the process lead time by an estimated 7 weeks.

- ORDC implemented Salesforce.com in 2016 to manage economic development projects from the initial lead through project monitoring and final close-out. Since this initial implementation, we have expanded use of the system to track complaints and to manage leases of ORDC-owned real estate. In addition, we expect to further expand use of Salesforce.com to our grade crossing safety programs in 2019. This usage will enable central data collection, enforce data integrity, eliminate duplicate spreadsheets and database, and enhance reporting abilities.

Every person who works at the ORDC takes pride in what we do and how we do it. However, the greatest measure of the success of our programs and abilities is what our partners and customers say about us…
Without question, the Ohio Rail Development Commission has been the most efficient, effective and reliable state agency I have had the pleasure of dealing with in my 11 years as the Mayor of Jackson.

They have always had the best interest of my community at heart; and, when issues arose between our community and a previous operator, they provided the leadership that has allowed our short-line railroad to now be a vital part of our economic development effort.

The ORDC, and its staff, have always demonstrated the utmost professionalism, and have been there for us since 1984. From experience, I can say there are other agencies that would be well served to follow the ORDC’s framework for success.

I say “THANK YOU” to the Ohio Rail Development Commission and its director, Matt Dietrich, for a job well done.

Sincerely yours,

Randy Heath
Mayor of Jackson